



SUSTAINABILITY POLICY

EURASIAN
RESOURCES
GROUP



PURPOSE AND APPLICATION

The Sustainability Policy (hereinafter referred to as the Policy) establishes the principles, basic approaches and management system for ensuring sustainable performance of Group.

The Policy describes general principles of and approaches to sustainability management, and operates in conjunction with the regulatory documents adopted by the Group, including, but not limited to, the ERG Code of Corporate Conduct, the ERG Supplier Code of Conduct and other regulatory documents in the field of sustainability.

Compliance with the Policy is mandatory for all Group Companies, all employees, including interactions with suppliers, contractors and other counterparties. The requirements of the Policy apply to all goods and services produced by the Group, all business processes, including production, commercial and administrative activities, transportation and waste management.

THE OBJECTIVES OF THE POLICY

Are maintaining and fostering responsible corporate behavior throughout the Value Chain by



TERMS AND DEFINITIONS

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ERG means Eurasian Resources Group S.à r.l., a société à responsabilité limitée, incorporated and existing under the laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Register of Trade and Commerce under number B 177.275 and having its registered office at 9, rue Sainte Zithe, L-2763 Luxembourg, Grand Duchy of Luxembourg. Group means all Group Companies together.

Group – the aggregate of all Entities of the Group.

Group Company means ERG or each of its direct and indirect subsidiaries in relation to which ERG exercises control.

Stakeholder – interested parties who may influence the decisions and actions of the Group or who may be affected by these decisions and actions. Examples of stakeholders include the Group's employees, customers, partners, counterparties, government agencies, non-profit organizations, local communities in the Group's host regions, etc.

Supply Chain – the full range of operations and processes carried out by entities upstream of the Group's supply chain that provide products and services used in the development of the Group's own products and services.

Value chain – the full range of operations and processes needed to create a product or service.

TERMS AND ABBREVIATIONS

ESG – Environmental, Social and Governance.

OECD – Organization for Economic Cooperation and Development.

UN – United Nations.



ERG SUSTAINABILITY PRINCIPLES

For ERG, sustainable development means responsible management in the areas of environmental protection, health and safety, social development and corporate governance.

SUSTAINABLE DEVELOPMENT ALSO INCLUDES



Ensuring that the business is stable, ready for future change and able to create value over the long term



Creating benefits for Stakeholders, including employees, shareholders, customers, business partners, local communities of regions of operation



Facilitating the global energy transition by meeting growing demand for key metals such as cobalt, copper and aluminum, as well as ferroalloys (in the context of developing new infrastructure for gas, wind and nuclear energy)

ERG is a member of the UN Global Compact, supports the UN Sustainable Development Goals, and strives to increase the positive impact while reducing the negative consequences of its activities along the Value Chain.

ERG also adheres to the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the UN Guiding Principles on Business and Human Rights, the Voluntary Principles on Security and Human Rights, and strives to adherence with the International Council on Mining and Metals (ICMM) Mining Principles.

The Group's approach to sustainable development is based on the values described in the Code of Corporate Conduct, which guide the sustainability of Group's business, as well as the mission and business strategy of the Group.



SUSTAINABLE DEVELOPMENT AND CORPORATE GOVERNANCE



The Group's commitment to sustainable development is embedded in its values and strategy. The Group has developed goals for sustainable development (ESG Goals 2030), key performance indicators for implementing the goals, and measures to achieve them.



The Group adheres to ethical norms and strictly complies with relevant international standards and the laws of the host countries in the areas of environmental protection, social responsibility and responsible management, including human rights, anti-corruption and anti-bribery measures, anti-money laundering, protection of competition, sanctions compliance and the security of personal data.



The Group strives to continuously improve its sustainability performance, to eliminate or at least reduce the negative impact of its activities on Stakeholders and environment.



The Group continuously monitors risks related to the Group's sustainability, including but not limited to social, environmental, climate (transition and physical risks), human resources, industrial safety, impact on local communities, compliance and corporate governance. The existing risk management system and risk management policy developed in accordance with international standards allow to promptly identify risks and take measures to mitigate them. The Group annually publishes information on key risks and mitigation measures as part of its sustainability report.



SUSTAINABLE DEVELOPMENT AND CORPORATE GOVERNANCE



The Group builds a culture of mutual respect and trust within relationships with both internal and external Stakeholders. The Group ensures the availability of feedback mechanisms for interaction with its Stakeholders, and carries out activities to raise Stakeholder awareness of the Group's sustainability performance and its impact on the Stakeholders. For these purposes, the ERG has, among other things, also implemented the ERG Hotline (<https://erg.integrityline.org/>). The Group holds obligatory consultations and dialogues with its Stakeholders when mapping new deposit development, implementing significant changes in the Group Companies' operations, closing deposits and other assets, preparing annual sustainability reports, as well as in other cases where Stakeholder involvement is necessary.



Every year the Group publishes a sustainability report that provides Stakeholders with information on the Group's sustainability performance. The Group takes into account the opinions and interests of Stakeholders, including through surveys to identify material topics when preparing the Group's sustainability report. Material topics are considered and reassessed in case of significant changes in operations or in the socio-economic context of the regions, acquisitions of new companies, and other significant changes.



Responsible management of indirect negative impact within the Supply Chain is one of the Group's priorities, as well as providing customers and other participants throughout the Value Chain with assurances that the products purchased are produced in accordance with ethical, environmental and other standards.



One of Group's key ethical principles is the principle of proper identification and evaluation of all counterparties (third parties) for each transaction in order to identify potential risks and properly manage them. An integral part of responsible procurement management is due diligence of counterparties, which is carried out in accordance with the principles of sustainable development set out in the ERG Code of Conduct, the ERG Supplier Code of Conduct and the ERG Counterparty Due Diligence Procedure.



The Group strives to use, where possible and effective, sustainable financing tools to achieve the Group's sustainable development goals, in accordance with the ERG Green Finance Policy.



OCCUPATIONAL SAFETY AND WELL-BEING OF EMPLOYEES



Occupational safety, well-being and development of employees is a priority for the Group, which includes creating a safe working environment, supporting employee health, and promoting healthy lifestyle.



The Group strives to provide a safe, productive and stable work environment for all its employees and contractors in accordance with international standards. To this end, the Group analyzes risks on an ongoing basis, continually improves operational safety and strives to achieve zero harm at work, conduct consultations with employees, and encourages employees to promptly report potential risks and violations in the work process.



The Group creates conditions for the development of strategic skills, competencies and leadership potential of employees, as well as provides training opportunities.



The Group is committed to equal employment opportunity and creates fair working conditions free from discrimination and harassment on any grounds, including, but not limited to, race, religion or belief, gender, age, sexual orientation, physical disability.



ENVIRONMENTAL PROTECTION



The Group assesses its environmental impact and evaluates environmental and climate risks, taking all necessary measures to mitigate them.



The Group assesses environmental impact when planning new projects and making significant changes to existing operations. Based on the assessment results, necessary measures to reduce the impact on the environment are developed.



The Group systematically monitors new technologies with lower environmental impact, evaluates the possibility of introducing the best available technologies into production, taking into account the principles of sustainable development, and implement the appropriate best available technologies.



The Group strives to reduce emissions to air, water and soil, ensuring proper management of hazardous substances and waste, in accordance with regulations, as well as local and international standards.



The Group strives to ensure responsible and sustainable water management, including minimizing water consumption and reusing water where applicable. The Group assesses the risks associated with access to water resources and evaluates the impact of its activities on access to clean water for local communities.



The Group strives to reduce, reuse and recycle the waste it produces. In particular, the Group has created a special division in order to implement recycling, reuse and commercial use of waste.



ENVIRONMENTAL PROTECTION



The Group strives to continuously improve the efficiency of tailing facilities management, reducing their impact on the environment and minimizing the risks in this area. Therefore, the Group strives to manage all tailings facilities in accordance with international and national standards and requirements, the best industry practices, conduct internal and external risk assessments, take mitigation measures, monitor and implement new technologies. The Group also works to mitigate the negative impact of tailings accumulated prior to the Group acquiring control of the assets.



The Group strives to reduce greenhouse gas emissions. The Group takes inventories and implements measures to reduce emissions, improves energy efficiency, carries out the construction of energy generating facilities using renewable energy sources, and also seeks to increase the share of renewable sources in the energy consumption of the Group Companies.



The Group strives to reduce the negative impact on biodiversity and ecosystems, including avoiding operations in protected areas and World Heritage sites. The Group analyzes the impact of its activities on biodiversity and ecosystems, including analysis of the impact on biodiversity when planning operations at new deposit, monitoring biodiversity during current operations and conduction of remediation activities aimed at preserving biodiversity during field and other assets closures. The Group strives to compensate deforestation in the areas where it operates by organizing new forest plantations.



SUSTAINABLE DEVELOPMENT OF THE HOST REGIONS

The Group's strategic priority is to ensure the sustainable development of the host regions, including by investing in social and economic development, health and safety of local communities, creating jobs, paying taxes and supporting local government. The Group strives to develop trusting and respectful relationships with all Stakeholders, including the governments of the host countries and local authorities



The Group strives to reduce the negative impact on the local communities during the closure of deposits. The Group develops tailored employment and voluntary relocation programs, and takes other necessary actions to preserve the livelihood of the local population

The Group respects indigenous peoples and makes every effort to minimize the negative impact of its activities on indigenous peoples if it cannot completely eliminate it. The interests of indigenous peoples are taken into account in the Group's activities as part of the Stakeholder engagement mechanism

The Group respects cultural traditions and strives to preserve cultural heritage sites, assisting in the preservation of such sites in the host regions

The Group strives to work with local suppliers to enable local manufacturers to develop and supply their products to the Group, and also seeks to hire workers from the regions of presence

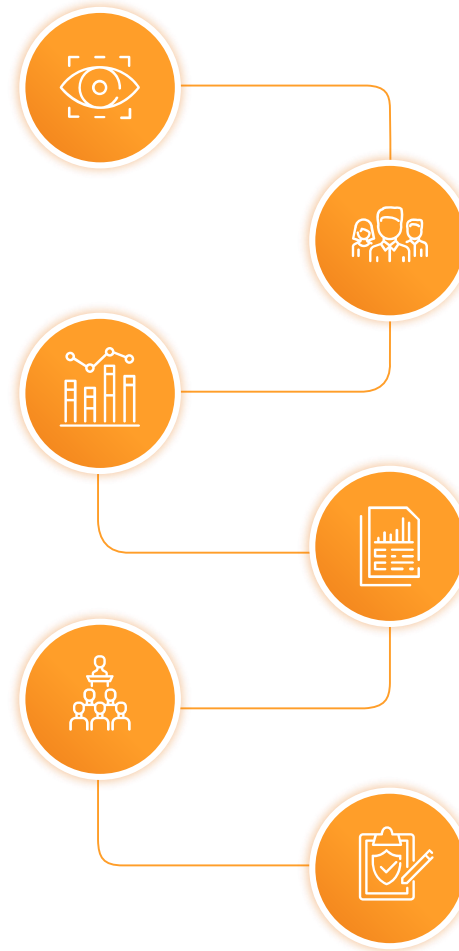


POLICY ENFORCEMENT

The Environmental, Social and Corporate Governance Committee (hereinafter, the ESG Committee) oversees compliance with the Policy. The ESG Committee is the main decision-making body responsible for sustainability that ensures the integration of sustainability principles into the Group's strategy and decision-making process.

The Group identified key performance indicators for sustainability and the employees responsible for their achievement. Monitoring of the indicators is conducted annually, and the results are presented at the ESG Committee.

The Group conducts training sessions for managers, employees, as well as communications with suppliers and other counterparties to raise awareness of the Group's strategy, measures to achieve it, existing policies, regulations and other documents governing issues related to the Group's sustainable development.



The ESG Committee includes representatives of the Group's management and functional managers.

The Group annually publishes a sustainable development report, which reflects progress towards achieving the Group's sustainability goals and key measures to implement this Policy.

Employees of the Group are subject to disciplinary action for violations of this Policy in accordance with the procedure established by applicable law and the Group's internal documents.

